

Idaho Grain Market Report, December 22, 2022—NEW CROP PRICES

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday December 21, 2022. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open Market Malting	Wheat (bu.) Milling #1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Rexburg / Ririe	14.00		8.15	9.96	10.18	10.06
Idaho Falls		8.30-16.25	No Bid	No Bid	No Bid	No Bid
Blackfoot / Pocatello		11.50	No Bid	No Bid	No Bid	No Bid
Grace / Soda Springs	13.35		7.40	9.08	9.03	9.08
Burley / Rupert	No Bid		No Bid	No Bid	No Bid	No Bid
Twin Falls / Buhl Jerome / Wendell	14.35		7.35			
Meridian	12.50		7.55	8.66	8.78	
Nezperce / Craigmont	10.46		7.65	9.00	9.16	
Lewiston	10.98		7.91	9.26	9.42	
Moscow / Genesee	10.49-10.93		7.68-7.80	9.03-9.15	9.19-9.30	

Prices at Selected Terminal Markets, cash FOB

Wednesday December 21, 2022. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	#2 Feed Barley 46 lbs. --	Malting Barley	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			8.45-8.80	9.84-10.04	10.08-10.28	
Ogden			7.95	9.60	9.75	9.60
Great Falls	12.91	15.83		8.82-8.94	8.88-9.08	

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were down \$0.50 to up \$0.05 for the week ending December 21. Idaho cash malt barley prices were unchanged to up \$0.10 for the week. No net barley sales were reported by USDA FAS for 2022/2023 for the week of December 9-15. Net exports of 900 MT were to Japan were for the week.

Barley and Beer Industry News—At Budweiser, the "King of Beers" is setting its sights on being the "King of Non-Alcoholic Beers," according to one top beverage analyst. "Alcohol-free beer is a key growth segment, with the company continuing to invest behind growth of Budweiser Zero as well as opening the platform for craft breweries as well," Evercore ISI's Robert Ottenstein wrote in a new note. Ottenstein shared observations from a Beverage Digest presentation he attended last week, where AB-InBev (BUD) management discussed major growth drivers such as non-alcoholic beer and hard seltzers. "Stigmas behind non-alcoholic [beer] from consumers have been falling, led by Europe but now seeing similar trends in the U.S. as well," Ottenstein added. The analyst has an Outperform rating on AB-InBev with a \$70 price target, implying an upside of 17% from current levels. Budweiser Zero — which contains no alcohol, as its name implies — debuted in the summer of 2020. And that launch was well-timed. Total dollar sales of non-alcoholic drinks in the U.S. stood at \$395 million, up 20.6% year over year, through August of this year, according to data from NielsenIQ. Non-alcoholic beer made up 85.3% of that total sales figure, with a market valued at \$328.6 million, up 19.5% year on year. "Younger Gen Z consumers are less interested in drinking alcohol than previous generations," NielsenIQ explained about the strength in non-alcoholic beer sales. "But there has also been a wider wellness movement taking place throughout society, with more people from every age and stage of life trying to take better care of themselves." For AB-InBev's part, its Beyond Beer segment, comprised of various hard seltzers and beer alternatives, saw sales rise 10% from a year ago in the most recent quarter. The momentum helped the company handily beat analyst sales and profit projections for the quarter. "You should definitely try Budweiser Zero — it's amazing," AB-InBev CEO Michel Doukeris said on Yahoo Finance Live. (Flipboard)

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mixed for the week ending Dec 21. SWW prices ranged from up \$0.05 to up \$0.20 from the previous week; HRW prices were down \$0.04 to up \$0.15; DNS prices were down \$0.09 to up \$0.11 and HWW prices were down \$0.04 to up \$0.13. USDA FAS reported net sales for 2022/2023 for the period Dec. 9-15 at 334,200 MT. Destinations were to unknown destinations (86,000 MT), Japan (69,500 MT), Thailand (55,000 MT), Mexico (34,100 MT), and the Philippines (29,000 MT). Exports of 235,300 MT were to South Korea (90,600 MT), Japan (65,800 MT), Mexico (39,800 MT), Honduras (20,000 MT), and Trinidad and Tobago (18,700 MT).

Wheat News—Idaho farmers and ranchers brought in 28% more revenue for crops and livestock this year. "In 2022, we broke all time record highs – it's astronomical increases," said Garth Taylor, an associate professor of Agricultural Economics at the University of Idaho. He presented the industry's financial picture on Tuesday. Taylor said Idaho agriculture is growing faster than the industry nationwide. Most of the revenue increase is driven by good prices in the milk, cattle and potato sectors, he said, and more products being exported overseas. "We had a record foreign exports from the state of Idaho last year at \$3.8 billion," he said. Food and agriculture make up about a third of the state's total export dollars with dairy, potatoes and wheat as the top products sent abroad. Most of Idaho's agricultural exports go to Canada and Mexico. However, costs farmers faced when growing food were also up this year. There was a drop-off in government pandemic payments, and with inflation, the war in Ukraine and drought in the West, prices were up for inputs. Fertilizer prices climbed 47% compared to 2021, as did fuel. But Taylor said, despite all that, net farm income in Idaho was still higher than last year when it saw a dip. (Boise State Public Radio) In other news, Global seed maker Syngenta will release a new type of wheat developed with complex cross-breeding techniques in the United States next year, beating out rival companies that are also trying to develop higher yielding wheat at a time of diminishing global grain supplies. The hybrid wheat, which combines positive traits from two parent plants, arrives after severe weather slashed grain harvests and the Ukraine war disrupted shipments to hungry importers, sending prices to record highs this spring. Syngenta, which began working on hybrid wheat in 2010, told Reuters enough seeds will be on the market next year for U.S. farmers to plant about 5,000 to 7,000 acres. Though a tiny fraction of the nation's plantings, the previously unreported total represents the company's biggest ever release of hybrid wheat. It could open the door for larger seedings in 2024 and beyond, as war and climate change make the world's food supplies increasingly vulnerable.

CORN—USDA FAS reported net sales for 2022/2023 for period December 9-15 were 636,800 MT, were to Mexico (484,300 MT), Japan (42,900 MT), El Salvador (40,700 MT), Honduras (24,100 MT), and El Taiwan (20,000 MT). Exports of 958,700 MT were primarily to China (415,300 MT), Mexico (359,700 MT), Japan (88,200 MT), Colombia (52,900 MT), and Nicaragua (15,500 MT).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending December 16 averaged 1.029 million bbls/day down 3.02 percent from the previous week and down 2.09 percent from last year. Total ethanol production for the week was 7.203 million barrels. Ethanol stocks were 24.067 million bbls on December 16, down 1.4 percent from last week and up 16.2 percent from last year. An estimated 101.67 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 1.53 billion bu. Corn used needs to average 101.67 million bu per week to meet USDA estimate of 5.275 billions bu for the crop year. (Reuters)

Futures Market News and Trends—Week Ending December 22, 2022

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, December 22, 2022:

Commodity	March 2023	Week Change	May 2023	Week Change	July 2023	Week Change	Sept 2023	Week Change
CHI SRW	\$7.62 ¹ / ₄	\$0.08 ³ / ₄	\$7.69 ³ / ₄	\$0.08 ³ / ₄	\$7.74 ³ / ₄	\$0.09 ¹ / ₄	\$7.81 ³ / ₄	\$0.10 ¹ / ₄
KC HRW	\$8.66	\$0.22	\$8.59 ³ / ₄	\$0.21 ³ / ₄	\$8.52 ³ / ₄	\$0.21	\$8.53 ¹ / ₄	\$0.20
MGE DNS	\$9.22 ¹ / ₄	\$0.12 ³ / ₄	\$9.12	\$0.07 ¹ / ₄	\$9.06 ¹ / ₄	\$0.03 ³ / ₄	\$8.91 ¹ / ₄	\$0.02 ¹ / ₄
CORN	\$6.68 ¹ / ₂	\$0.15 ¹ / ₂	\$6.60 ¹ / ₄	\$0.06 ³ / ₄	\$6.54 ¹ / ₄	\$0.06	\$6.15	\$0.04 ³ / ₄

WHEAT FUTURES—Wheat futures up amid disappointing export sales. **Wheat futures prices ranged up \$0.02¹/₄ to up \$0.22(per bu) over the previous week.**

CORN FUTURES—Corn futures prices up as price reaction to the Federal Reserve's impending decision to raise interest rates. **Corn futures prices ranged from up \$0.04³/₄ to up \$0.15¹/₂ (per bu) over the previous week.**

CRUDE OIL FUTURES—Crude oil traded higher on Thursday morning following a decline in the crude oil inventories in the US.

EIA reported U.S. crude oil refinery inputs averaged 16.0 million bbls/day during the week ending December 16, 2022 which was 150 thousand bbls/day less than last week's average. Refineries operated at 90.9% of capacity last week. As of December 16 there was a decrease in Crude Oil stocks of 5.895 million bbls from last week to 418.234 million bbls, under the 5-year average of 447.551 million bbls. Distillate stocks decreased by 0.242 million bbls to a total of 119.929 million bbls, under the 5-year average of 129.674 million bbls; while gasoline stocks increased by 2.530 million bbls to 226.113 million bbls, under the 232.522 million bbl 5-year average. The national average retail regular gasoline price was \$3.120 per gallon on December 19, 2022, down \$0.119 from last week's price and down \$0.175 over a year ago. The national average retail diesel fuel price was \$4.596 per gallon, down \$0.158 from last week's price and up \$0.970 from last year.

NYMEX Crude Oil Futures finished the week ending Thursday, December 22, 2022 to close at \$77.49/bbl (February contract), up \$3.33 for the week.

U.S Drought Monitor—December 22, 2022

Northeast: No significant changes were made in the region.

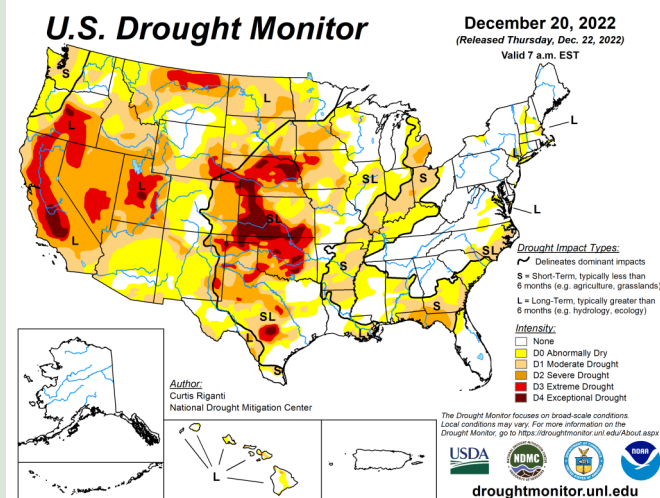
Southeast: Improvements were made in Alabama and the Florida Panhandle. Drought increased in southeast Georgia.

Midwest: Improvements were made in Missouri, Illinois, Kentucky, Iowa, and Minnesota.

High Plains: Improvements were made in the Dakotas, Nebraska, Colorado, and in Kansas City.

West: Improvements were made in eastern Montana.

South: Improvements made in the eastern half of the region. Degrations were made in parts of Texas.



USDA U.S. Crop Weather Highlights—December 22, 2022

West: Frigid air has settled across much of Idaho, Oregon, Washington, and western Montana, following recent snowfall. Northwestern daily-record lows for December 21 included -34°F in Bozeman, Montana, and -8°F in Ellensburg, Washington. However, most Northwestern winter grains remain insulated by an extensive snow cover. Elsewhere, mild, dry weather prevails from California to the southern Rockies.

Plains: The leading edge of an Arctic cold front is sweeping across Oklahoma and northern Texas. A post-frontal band of snow, extending across Kansas and eastern Colorado, is causing brief but significant travel disruptions due to low visibility in snow and blowing snow. Early today, temperatures have fallen below 0°F as far south as Texas' northern panhandle, with readings below -20°F accompanied by blustery weather and dangerously low wind-chill temperatures observed on the northern Plains. Across the southern half of the Plains, winter wheat's protective snow cover is limited.

Corn Belt: Bitterly cold, windy weather prevails across the upper Midwest, where this morning's low temperatures ranged from 0 to -20°F. In areas where snow fell on Wednesday, for example, Minneapolis-St. Paul, Minnesota, received 7.4 inches—blowing snow is resulting in some travel difficulties. Early today, disruptive snow is falling near the leading edge of the Arctic air, which stretches from the Great Lakes region into the lower Missouri Valley.

South: Mild weather prevails in advance of a rapidly approaching cold front. Early today, rain is falling in parts of the Southeast, especially from the Carolinas northward. Producers in the Deep South continue to prepare for the upcoming cold wave, which will feature freezes throughout the region, except in southern Florida.

Outlook for U.S.: A severe Arctic outbreak will continue through the holiday weekend from the Rockies eastward. Sub-zero temperatures should occur along and north of a line from Texas' northern panhandle to the central Appalachians, while freezes will cover the western and central Gulf Coast States. Deep South Texas will most likely endure a 3-day freeze. The NWS 6-10 day weather outlook for December 27-31 calls for warmer than normal weather nearly nationwide. Wetter than normal weather nearly nationwide. Drier conditions in New England and central and southern Texas.

International Crop Weather Highlights—Week ending December 17, 2022

Europe: Cold, snowy weather was beneficial for dormant winter crops over central and northern Europe. Heavy rain in southern Europe caused localized flooding and damage to infrastructure but erased year-to-date deficits in Spain and eased long-term drought in Italy.

Middle East: Moderate to heavy rain in Turkey caused flooding near the Mediterranean Coast but improved soil moisture for winter grains, which have yet to go dormant due to persistent anomalous warmth. Light to moderate showers boosted soil moisture for winter crops in eastern Iraq and western Iran, while northeastern Iran's winter grain areas have become unfavorably dry.

Asia: Heavy showers lingered in southern India after the passage of Severe Cyclonic Storm Mandous, otherwise seasonably dry, warmer-than-normal weather prevailed for irrigated rabi crops elsewhere. Cold, dry weather lingered in eastern and southern China where wheat and most rapeseed were dormant. Widespread showers continued in traditionally wetter eastern and southern locales, maintaining ample moisture supplies for rice and other crops.

Australia: Rain returned to parts of eastern Australia, likely slowing fieldwork in southern- and eastern-most portions of the wheat belt but maintaining abundant moisture supplies for vegetative summer crops. Mostly dry weather in the south and west favored uninterrupted wheat, barley, and canola harvesting.

South America: Dryness and occasional heat maintained unfavorable planting prospects for summer crops in sections of central Argentina. Pockets of dryness lingered over corn and soybean areas of southern Brazil, otherwise conditions remained overall favorable for crop development.

South Africa: Widespread, locally heavy rain provided abundant moisture for corn and other rain-fed summer crops.